

**ZAHEEN SPINNING LIMITED**  
**Statement of Financial Position (Un-Audited)**  
**As at 30 September 2019**

	30 Sep 2019	30 Jun 2019
	Taka	Taka
<b>Assets</b>		
<b>Non-Current Assets</b>	<b>743,688,167</b>	<b>756,330,332</b>
Property, Plant and Equipment	728,933,848	741,576,013
Work in Progress	14,754,319	14,754,319
<b>Current Assets</b>	<b>796,025,364</b>	<b>774,226,770</b>
Inventories	289,766,772	289,300,635
Trade & Other Receivables	386,117,198	388,677,883
Advances, Deposits & Prepayments	93,439,682	87,285,203
Cash & Cash Equivalents	26,701,712	8,963,049
Investment in listed Co. Shares	-	-
<b>Total Assets</b>	<b>1,539,713,531</b>	<b>1,530,557,102</b>
<b>Shareholders Equity and Liabilities</b>		
<b>Shareholders Equity</b>	<b>1,399,267,644</b>	<b>1,388,797,767</b>
Share Capital	1,084,079,700	1,084,079,700
Tax Holiday Reserve	31,538,864	31,538,864
Revaluation Surplus	136,926,183	136,926,183
Retained Earnings	146,722,897	136,253,020
<b>Non-Current Liabilities</b>	<b>35,916,316</b>	<b>25,981,881</b>
Deferred Tax Liability	23,405,997	22,450,972
Long Term Loan (Non-Current Portion)	12,510,319	3,530,909
<b>Current Liabilities</b>	<b>104,529,571</b>	<b>115,777,454</b>
Trade & Other Payable	6,340,689	6,545,808
Short Term Bank Loan	18,132,811	18,520,499
Long Term Loan (Current Portion)	4,540,977	13,569,628
Liabilities for Income Tax	60,765,095	59,825,841
Liabilities for WPPF	3,300,569	5,364,722
Others Liabilities	11,449,430	11,950,957
<b>Total Shareholders Equity and Liabilities</b>	<b>1,539,713,531</b>	<b>1,530,557,102</b>
<b>Net Asset Value (NAV) Per Share</b>	<b>12.91</b>	<b>12.81</b>



*Mrs. Farida Khanam*  
**Mrs. Farida Khanam**  
Chairman

*Md. Faruq Hossain*  
**Md. Faruq Hossain**  
Chief Financial Officer

*Mahmudur Rahman*  
**Mahmudur Rahman**  
Managing Director

*Md. Mohin Uddin*  
**Md. Mohin Uddin**  
Company Secretary

*Nusrat Jahan*  
**Nusrat Jahan**  
Director

Dated: 13 November 2019  
Place: Dhaka

**ZAHEEN SPINNING LIMITED**  
**Statement of Profit or Loss and Other Comprehensive Income (Un-Audited)**  
**For the period ended 30 September 2019**

Particulars	01 July 2019 to 30 September 2019	01 July 2018 to 30 September 2018
	Taka	Taka
Sales Revenue (Net off VAT)	189,760,256	209,707,800
Less: Cost of Goods Sold	169,003,663	164,326,219
<b>Gross Profit/ (Loss)</b>	<b>20,756,593</b>	<b>45,381,581</b>
Add: Other Income	396,556	472,878
	<b>21,153,149</b>	<b>45,854,458</b>
<b>Less: Operating Expenses</b>	<b>6,752,603</b>	<b>7,773,893</b>
Administrative Expenses	4,304,103	5,080,143
Marketing Expenses	2,448,500	2,693,750
<b>Profit from Operations</b>	<b>14,400,545</b>	<b>38,080,566</b>
Less: Financial Expenses	1,418,181	762,929
<b>Net Profit/ (Loss) before Charging WPPF</b>	<b>12,982,364</b>	<b>37,317,637</b>
Less: WPPF Expenses	618,208	1,777,030
<b>Profit/ (Loss) before Income Tax</b>	<b>12,364,157</b>	<b>35,540,606</b>
<b>Less: Tax Expenses</b>	<b>1,894,279</b>	<b>5,378,379</b>
Current Tax	939,254	4,415,202
Deferred Tax	955,025	963,176
<b>Net Profit/ (Loss) after Tax</b>	<b>10,469,877</b>	<b>30,162,227</b>
<b>Add: Other Comprehensive Income</b>	<b>136,926,183</b>	<b>136,926,183</b>
Revaluation surplus of Land & Land-Development	136,926,183	136,926,183
<b>Total Comprehensive Income</b>	<b>147,396,060</b>	<b>167,088,410</b>
<b>Earnings Per Share (EPS)</b>	<b>0.10</b>	<b>0.28</b>



*Farida Khanam*

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Director

Dated: 13 November 2019  
Place: Dhaka

**ZAHEEN SPINNING LIMITED**  
**Statement of Changes in Equity (Un-Audited)**  
**For the Period ended 30 September 2019**

Particulars	Share Capital	Tax Holiday Reserve	Retained Earnings	Revaluation Surplus	Total Equity
<b>Balance as on July 01, 2019</b>	1,084,079,700	31,538,864	136,253,020	136,926,183	1,388,797,767
Bonus Share	-	-	-	-	-
Net Profit after Tax for the period	-	-	10,469,877	-	10,469,877
<b>Balance as on September 30, 2019</b>	<b>1,084,079,700</b>	<b>31,538,864</b>	<b>146,722,897</b>	<b>136,926,183</b>	<b>1,399,267,644</b>

**For the period ended 30 September 2018**

Particulars	Share Capital	Tax Holiday Reserve	Retained Earnings	Revaluation Surplus	Total Equity
<b>Balance as on July 01, 2018</b>	985,527,000	31,538,864	166,741,817	136,926,183	1,320,733,864
Bonus Share	-	-	-	-	-
Net profit after Tax for the period	-	-	30,162,227	-	30,162,227
Adjustment of deferred tax expenses as per BAS-8	-	-	-	-	-
<b>Balance as on September 30, 2018</b>	<b>985,527,000</b>	<b>31,538,864</b>	<b>196,904,044</b>	<b>136,926,183</b>	<b>1,350,896,091</b>



**Mrs. Farida Khanam**  
Chairman



**Mahmudur Rahman**  
Managing Director

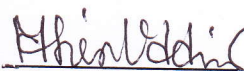


**Nusrat Jahan**  
Director





**Md. Faruq Hossian**  
Chief Financial Officer

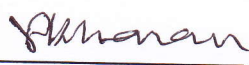



**Md. Mohin Uddin**  
Company Secretary

Dated: 13 November 2019  
Place: Dhaka

**ZAHEEN SPINNING LIMITED**  
**Statement of Cash Flows (Un-Audited)**  
**For the period ended 30 September 2019**

Particulars	01 July 2019 to 30 September 2019	01 July 2018 to 30 September 2018
	Taka	Taka
<b>A. Cash Flows from Operating Activities</b>		
Collection from Customers & Others	192,717,497	208,996,613
Payment to Suppliers & Others	(157,947,403)	(142,171,177)
Tax Paid	-	(2,000,000)
<b>Cash Generated from Operating Activities</b>	<b>34,770,094</b>	<b>64,825,436</b>
Cash payment for Expenses	(8,633,434)	(15,030,563)
Payment against Advance, Deposits & Prepayments	(6,154,479)	(29,397,740)
Finance Cost	(1,418,666)	(762,929)
<b>Net Cash Flows from Operating Activities</b>	<b>18,563,515</b>	<b>19,634,203</b>
<b>B. Cash Flows from Investing Activities</b>		
Acquisition of Fixed Assets	(388,409)	(1,002,946)
Work in Progress	-	(1,842,251)
Investment in listed Co. Shares	-	(5,000)
<b>Net Cash Flows from Investing Activities</b>	<b>(388,409)</b>	<b>(2,850,197)</b>
<b>C. Cash Flows from Financing Activities</b>		
Changes in short term bank loan	(387,688)	752,799
Payment of long term loan	(49,241)	(6,595,000)
<b>Net Cash Flows from Financing Activities</b>	<b>(436,928)</b>	<b>(5,842,200)</b>
<b>D. Net Cash inflow/(outflow) for the year (A+B+C)</b>	<b>17,738,179</b>	<b>10,941,806</b>
E. Cash & Cash Equivalent at beginning of the period	8,963,049	6,658,721
Unrealized gain / Loss on foreign exchange fluctuation	485	-
<b>F. Cash &amp; Cash Equivalent at end of the year (D+E)</b>	<b>26,701,713</b>	<b>17,600,527</b>
<b>Net Operating Cash Flows (NOCF) Per Share</b>	<b>0.17</b>	<b>0.18</b>
<b>Number of Shares used to compute NOCFPS</b>	<b>108,407,970</b>	<b>108,407,970</b>

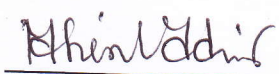
  
**Mrs. Farida Khanam**  
Chairman

  
**Mahmudur Rahman**  
Managing Director

  
**Nusrat Jahan**  
Director



  
**Md. Faruq Hossain**  
Chief Financial Officer

  
**Md. Mohin Uddin**  
Company Secretary

Dated: 13 November 2019  
Place: Dhaka

# Zaheen Spinning Limited

Selected explanatory notes on the Un-Audited Financial Statements

For the period from July 01, 2019 to September 30, 2019.

## 1. Accounting Policies & Methods Used For Preparation of Financial Statements:

a. **Zaheen Spinning Limited** has followed the same accounting policies and methods for preparation presentation of 1<sup>st</sup> quarter Financial Statements of the company for the period from July 01, 2019 to September 30, 2019 as compared to the annual Financial Statements for the year ended June 30, 2019.

b. The Financial Statements of the company for the reporting period have been prepared in accordance with practice in Bangladesh in compliance with the companies Act, 1994, The Bangladesh Securities and exchange Commission Rules 1987, the listing regulation of Dhaka and Chittagong Stock Exchanges and International Accounting Standard (IAS), so far adopted by the Institute of Chartered Accountants of Bangladesh(ICAB) as Bangladesh Accounting Standard (BAS), Bangladesh Financial Reporting Standard (BFRS), Financial Reporting Act, 2015 and other applicable laws and regulations.

c. The Earning per share (EPS) as on September 30, 2019 stood at Tk. 0.10 as against Tk. 0.28 compared to September 30, 2018 (Adjusted). The EPS has decreased due to decrease in net profit compared with previous period.

**EPS Calculation for the period ended September 30, 2019 is as under:**

	Sep 30,2019	Sep 30,2018
Earnings attributable to ordinary shareholders during the period	10,469,877	30,162,227
Weighted average number of share (prior period adjusted)	108,407,970	108,407,970
<b>Earning Per Share(EPS)</b>	<b>0.10</b>	<b>0.28</b>

d. The Net Operating Cash Flow per Share (NOCFPS) as on September 30, 2019 has decreased to Tk. 0.17 as against Tk. 0.18 per share for the previous period of September 30, 2018 (Adjusted) due to increase in financial expenses, payment to suppliers and others.

**NOCFPS Calculation for the period ended September 30, 2019 is as under:**

	Sep 30,2019	Sep 30,2018
Net Cash Flows from operating Activities during the period	18,563,515	19,634,203
Weighted average number of share (prior period adjusted)	108,407,970	108,407,970
<b>Net Operating Cash Flows(NOCF) Per Share</b>	<b>0.17</b>	<b>0.18</b>

e. The Net Asset Value (NAV) per share in current period is Tk. 12.91 as against Tk. 12.81 compared to the corresponding period of June 30, 2019.

**NAV Calculation as on September 30, 2019 is as under:**

	Sep 30,2019	Sep 30,2018
Total Shareholders Equity	1,399,267,644	1,388,797,767
No. of ordinary shares outstanding (prior period adjusted)	108,407,970	108,407,970
<b>Earning Per Share(EPS)</b>	<b>12.91</b>	<b>12.81</b>

## 2. Changes in Non-current Assets:

During the period of July 01, 2019 to September 30, 2019 a sum of Tk. 12.64 million for WDV has reduced for charging of depreciation.



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### 3. Changes in Current Assets:

The Current Assets consist of Trade & others Receivables and Advance, deposit & pre-payment has increased by Tk.21.80 million during the period of July 01, 2019 to September 30, 2019 compared to June 30, 2019 due to advance payment to the suppliers for spare parts, construction work & others.

### 4. Changes in Shareholder's Equity:

Shareholder's Equity has increased by Tk. 10.47 million due to increase of Retained Earnings.

### 5. Changes in Current Liabilities:

The Current Liabilities has decrease by Tk. 11.25 million due to timely repayment of Trade & other Payable, Current Portion of Long Term Loan, Others Liabilities and others.

### 6. Changes in operating Income and Expenses:

#### a. Turnover:

The Turnover for the period July'2019 to September' 2019 has decreased by Tk. 19.95 million and the ratio has decreased to 1.11% compared to previous period of July'2018 to September' 2018 due to decrease in yarn production for the purpose of electric load shedding as well as disorderly low gas pressure.

#### b. Gross Profit (GP):

The GP stood at Tk. 20.76 million compare to 45.38 million during the previous period of July'2018 to September' 2018. The GP amount has decreased due to increase of price hike of row cotton and enhanced of factory overhead. As a result GP ratio decreased by 2.19%.

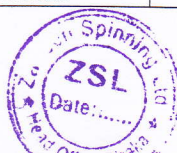
#### c. Net Profit/ (Loss) After Tax:

The Net Profit after Tax stood at Tk. 10.47 million compared to 30.16 million during the previous period of July'2018 to September' 2018. The net profit amount has decreased due to decrease in sales of yarn. For this reason net profit ratio has decreased by 2.88%.

Detailed disclosure regarding related party transactions & key management personnel compensation, calculation of deferred tax expenses and details of indirect method of cash flows from operating activities is as under:

### Related Party Transaction & key management compensation as on 30 September 2019:

Particulars	Relationship	Transaction during period	Outstanding as on 30Sep 2019
Mrs. Farida Khanam	Chairman	150,000	200,000
Mr.A.MBarduzzamanKhashroo	Managing Director	-	-
Mr.MahmudurRahman	Director	600,000	10,00,000
Mrs. NusratJahan	Director	45,000	60,000
Mr.FarukHossain	CFO	270,000	-
Mr.Mohinuddin	CS	210,000	-
Mr.TomalkusumBarua	GM	255,000	-
DainikDeshBortoman	Sister Concern	-	552,260
ZaheenPolimer	Subsidiary	-	45,000
Zaheen Green Tech	Sister Concern	-	268,970
Zaheen Capital Ltd	Sister Concern	-	3,200



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**Detailed disclosure and calculation of deferred tax expenses as on 30 September 2019:**

Particulars	Amount in Taka
Carrying amount of property, plant & equipment (Accounting base)	490,278,660
Less: Carrying amount of property, plant & equipment (Tax base)	330,938,112
Less: WPPF provision made during the year	33,00,569
<b>Taxable temporary difference</b>	<b>156,039,980</b>
Applicable tax rate	15%
<b>Provision for deferred tax</b>	<b>23,405,997</b>
Less: Opening balance	22,450,972
<b>Deferred tax expenses/(income)</b>	<b>955,025</b>

**Details of indirect method of cash flows from operating activities is as under:**

Net Profit After Tax	10,469,877
Depreciation as Non Cash Expenses	13,030,574
Unrealized (gain) or loss in Foreign exchange	(485)
(Increase)/Decrease of Account Receivables	2,560,685
(Increase)/Decrease of Inventories	(466,137)
(Increase)/Decrease of Advance, Deposits & Prepayments	(6,154,479)
Increase/(Decrease) of Liabilities for expenses	(501,527)
Increase/(Decrease) of Accounts Payable	(205,119)
Increase/(Decrease) of Provision for Income Tax	939,254
Increase/(Decrease) of Deferred Tax Liability	955,025
Increase/(Decrease) of Provision for WPPF	(2,064,153)
Increase/(Decrease) of Tax holiday reserve (adjustment)	-
<b>Net Cash Flows from Operating Activities</b>	<b>18,563,515</b>

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